



Hate Volatility? Buy the Best Dividend Stocks to Hold Forever

Description

Some investors just don't like volatility in their stock holdings. All they want is a decent return on their investments that is good enough to beat inflation. If you're one of those investors, then I have two solid [dividend stocks](#) that you can count on.

Royal Bank

Canadian banks have been a trusted source for earning a steadily growing stream of income. They are among the best dividend stocks in North America, benefiting from their balance sheet strength and their careful lending practices.

If you also want to benefit from their success story, then buying **Royal Bank** ([TSX:RY](#))([NYSE:RY](#)) stock is a good idea. RBC is Canada's largest lender with a robust presence in the U.S. During the past few years, its stock has gained 43%, including dividends, far outpacing the benchmark S&P/TSX Composite Index, which grew only 12% during this period.

In its latest quarterly earnings, the lender earned \$3.17 billion, or \$2.15 a share, compared with \$3.01 billion, or \$2.01 a share, in the same quarter last year. City National, which RBC acquired for \$7.1 billion in 2015, contributed adjusted profit of US\$104 million, up 5% from a year earlier, as loan growth increased by 15% and margins expanded. RBC also announced it will raise its quarterly dividend by \$0.04, or 4%, to \$1.02 a share per quarter.

Trading at \$102.61, RBC stock is a solid bet for long-term investors. The stock currently yields 3.85% and pays \$3.92 yearly dividend.

BCE

Just like RBC, Canada's largest telecom operator [BCE \(TSX:BCE\)\(NYSE:BCE\)](#) is another reliable stock to buy if you plan to remain invested over the long run. The company dominates the nation's growing telecom market.

BCE stock is also a good hedge against inflation and for earning a growing stream of income. Over the past decade, the operator has doubled its dividend while showing strong growth in its earnings.

Early this month, BCE raised its dividend by 5% to \$3.17 a share annually, signalling that the company sees no material risks to its financial outlook.

"Management continues to have strong controls in place to deliver on the company's stated 5% [annual] dividend-growth model," analyst Maher Yaghi of Desjardins Securities wrote in a note to clients.

Trading at \$58.93 and with an annual dividend yield of 5.54%, BCE is among the best income stocks to buy and hold.

Bottom line

Stock like RBC and BCE are unlikely to provide you a double-digit growth each year, but they are the slow-moving dividend stocks that will keep sending you dividend cheques quarter after quarter. If you like this investing approach, then these two names are a good match for you.

CATEGORY

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1. Editor's Choice

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2. NYSE:RY (Royal Bank of Canada)
3. TSX:BCE (BCE Inc.)
4. TSX:RY (Royal Bank of Canada)

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Author

hanwar

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